Inside story of Bank SCAM

52. SHRIMATI KAMLA SINHA:
DR. BAPU KALDATE:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the 'Inside Story of Bank Scam' a book by P.K. Gupta, former CBDT member (Investigation) highlighting the sabotage and dilatory methods adopted by bureaucrats and politicians to trace the end use of the money; and

(b) if so, what is the reaction of Government with regard thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M,V. CHANDRASHEKHAR MURTHY): (a) and (b) Government is aware of the news item which appeared in Indian Express on 29th December, 1994 under the caption "Scam hunt was officially sabotaged" containing excerpts of the book "The Inside Story of Bank Scam" written by Shri P.K. Gupta, former Member (Invesigation), CBTD. However, it appears from market enquiries that the book is not available in the leading book stores and probably, the book has not yet been published.

Vostro Account Scandal

53. DR. BAPU KALDATE:
SHRIMATI KAMLA SINHA:
SHRI GURUDAS DAS GUPTA:
SHRI CHATURANAN MISHRA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a Vostro account scandal has been unearthed involving some Indian and foreign banks;

(b) if so, the details thereof; and

(c) the details of the investigations being conducted into the deals and with what results?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (c) Enforcement Directorate has intimated that during the period December 1992 to May 1993, it had investigated 40 illegal transactions through various banks involving a total amount of Rs. 77.9 crores in which non-convertible Rupee funds emanating from the Bank for Foreign Economic Affairs of the erstwhile U.S.S.R, were credited to the Vostro A/cs of various foreign banks held with banks in India. All these transactions pertained to the period January, 1991 to September, 1992. After completion of investigations Show Cause Notices have been issued to the banks concerned and their officers during the period June, 1993 to February 1994. Also sanction to prosecute has been issued under Section 56 of F.E.R.A. 1973 in respect of all these transactions.

Enforcement Directorate has further intimated that in December, 1994 certain documents seized by the CBI, Bombay in August 1994 in connection with an investigation being conducted by them in another matter, were handed over to the Enforcement Directorate. These documents have revealed that the actual scale of the Vostro A/cs relating to illegal remittances made/illegal remittances attempted is of a total value of Rs. 166 crores, including the amount of Rs. 77.9 crores already investigated by the Directorate. The balance transactions also pertained to the same period i.e., January, 1991 to September. 1992 and are under investigation.

Entry of foreign insurance firms

54. DR. SANJAYA SINH:
SHRI GHUFRAN AZAM:
SHRT YERRA NARAYANA-SWAMY:
SHRI GAYA SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the newsitem which appeared in the Poineer dated January 18, 1995 under the caption "Government may open insurance to foreign firms";

(b) if so, what are the details of the proposal received from the U.S. Commerce Secretary in that regard and the reaction of the Government of India in regard thereto; and

(c) whether Government have analysed its impact on the function ing of LIC and other Government Insurance Companies and if so, the details thereof and the extent to which it would affect their business?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) The question of opening up our insurance industry to external competition did not figure in the discussions held between our Prime Minister and the US Commerce Secretary on 17th January, 1995 as reported in the Pioneer on the 18th January. 1995.

(b) and (c) Do not arise.

Amount collected from importers and Exporters as customs duty

55. SHRI PRAVAT KUMAR SAMANTARAY: Will the Minister of FINANCE be pleased to state:

(a) what is the total amount collected from Importers and Exporters operating in different major ports as customs duty by the Customs Department during the years 1992-93, 1993-94 and 1994-95;

(b) whether it is a fact that customs collection is falling down; and

(c) if so, what are the contributory factors thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) The total customs duty collected from all custom houses and ports during 1992-93, 1993-94 and April, '94 — Jan. '95 are as under:—

Period	(Rs. in crores)
1992-93 . . .	23717.28
1993-94 (Prov.) .	22079.49
April, '94—Jan., '95 (Prov.)	21133.23

(b) The customs revenue collected during April, '94—Jan., '95 has shown 18.98% increase over the collection made in the corresponding period of previous year.

(c) Does not arise, in view of (b) above.

Pending cases of disputes

56 PROF. VIJAY KUMAR MALHOTRA: Will the Minister of FINANCE be pleased to state:

(a) the total number of cases of disputes relating to Central excise, customs, income-tax pending in the various courts of law in the country;

(b) the number of cases in which stay orders have been issued by the courts and the steps taken by Government to get those stay orders vacated:

(c) since when these cases are pending and the steps taken to get them finalised to recover the revenue of Government locked up in those cases:

(d) whether Government had appointed any committee to go into the above and to suggest ways and means to overcome the increase in the litigation cases;